

## Media response statement

12/18/18

### Statement from Ancora

During a routine inquire, conducted regularly as part of our commitment to regulatory compliance, Ancora recently discovered a violation of Securities and Exchange Commission “SEC” regulations regarding political contributions.

It was discovered that a few employee political contributions, dating back several years, were made which exceed the \$350 limit that an employee is allowed to make in certain political contests while also providing investment management services to public clients of the State in which the contest was taking place.

Upon discovery, we began working with the SEC to provide any necessary information to help them assess the nature of the inadvertent error. Employees request, and had returned, contributions which exceeded the \$350 limit, however it was outside of the allowable cure period, resulting in our error. We take all compliance reporting responsibilities seriously and assume full responsibility.

We are also in agreement with the regulators that no client was affected by our error and that no employee intended to influence a client with their personal political contributions. Nonetheless, we have subsequently put in place additional training for all employees and have provided them with educational material on the reporting process to guard against any future compliance issues.

Ancora is completely committed to comprehensive compliance with all applicable regulations governing our business and our interactions with our valued clients. We look forward to putting this inadvertent error behind us and continuing to earn and maintain our clients’ trust every day.